Meeting Date: July 30, 2015

Agenda Item No. 7H

**Agenda Item:** Discounting Nonresident Second Elk

and Deer Tags

Bureau Chief Approval:

Prepared by: Jeff Gould

## **Background:**

Nonresident Tag Ouota: The Idaho Fish and Game Commission establishes a nonresident tag quota through Rule (IDAPA 13.01.04.600) that limits the number of nonresident elk and deer tags sold in Idaho each year. This quota has remained at approximately 12.815 nonresident elk and 15.500 nonresident deer tags available for purchase since 1990.

Historically, the department sold most if not all the NR tags available in the quota (Table 1). In 2009, NR tag sales began a decline which continued through 2012 when 40% of the NR quota remained unsold at the end of the hunting season.

Table 1. Number of unsold nonresident elk and deer tags during past 12 years.

Year	Unsold Nonresident Elk Tags	Date Sold Out	Unsold Nonresident Deer Tags*	Date Sold Out
2003	17		1717	
2004	0	10/14/2004	810	
2005	0	10/6/2005	0	11/18/2005
2006	0	9/20/2006	0	10/25/2006
2007	0	9/12/2007	0	10/10/2007
2008	0	9/25/2008	0	11/10/2008
2009	2,321		4,047	
2010	3,928		6,031	
2011	4,780		6,543	
2012	5,241		6,653	
2013	4,960		5,773	
2014	3618		2315	

<sup>\*</sup>Deer tags include Regular & White-tailed Deer tags; Sellout dates are approximate; NR elk tag price was \$372.50 in 2008 and increased to \$416.75 in 2009; NR deer tag price was \$258.50 in 2008 and increased to \$301.75 in 2009.

Nonresident/Resident Second Elk and Deer Tags: Any nonresident elk or deer tags remaining in the statewide quota after August 1 may be sold to residents and nonresidents as a second tag, at the nonresident elk or deer tag price.

In 2014, the Commission discounted the price of the second elk tag (\$299 down from \$415) and the second deer tag (\$199 down from \$300). This discount did not apply to first tags purchased by nonresidents. The NR second tag discount stimulated a run on sales for both first and second NR tags. Sales and harvest information is summarized below:

## Second Elk Tag Sales

- Discount price \$299, breakeven sales count was 652 tags, final sales count was 1,078
- Increased sales in 2014 generated \$195,000 additional revenue over 2013
- 75% 2<sup>nd</sup> tags sold to Residents, 25% sold to Nonresidents (similar to prior year)
- 60% of the 2<sup>nd</sup> tag buyers in 2014 did not buy a 2<sup>nd</sup> tag the previous year

## Second Deer Tag Sales

- Discount price \$199, breakeven sales count was 1,568 tags, final sales count was 3,386
- Increased sales in 2014 generated \$322,000 additional revenue over 2013
- 60% 2<sup>nd</sup> tags sold to Residents, 40% sold to Nonresidents (similar to prior year)
- 65% of the 2<sup>nd</sup> tag buyers in 2014 did not buy a 2<sup>nd</sup> tag the previous year

### Second Elk Tag Distribution and Harvest

- 1,078 second elk tags were sold
- 595 hunters (55%) hunted in their same elk zone as their first tag
- 309 hunters (29%) hunted in two separate zones
- 174 hunters (16%) had a CH tag as their first tag
- Harvest was primarily during B tag season (62%)
- Estimated harvest was 538 elk or 2.5% of statewide harvest estimate

# Second Deer Tag Distribution and Harvest

- 2,000 Regular Deer tags and 1,400 White-tailed Deer tags were sold
- 63% of the second tag buyers purchased the same "tag type" as their first tag
- Harvest was primarily during the rifle season
- Estimated harvest was 700 mule deer and 1,070 white-tailed deer; 3% of statewide harvest estimate

Table 2. Number of nonresident elk and deer tags purchased by residents and nonresident as a 2<sup>nd</sup> tag during the last 12 years.

Year	2 <sup>nd</sup> Elk Tags Sold to Residents	2nd Elk Tags Sold to NR	Total 2 <sup>nd</sup> Elk Tags Sold	2 <sup>nd</sup> Deer Tags Sold to Residents	2 <sup>nd</sup> Deer Tags Sold to NR	Total 2 <sup>nd</sup> Deer Tags Sold*
2003	222	32	252	425	105	530
2004	244	90	334	507	208	715
2005	223	67	290	601	233	834
2006	279	92	371	634	168	802
2007	332	110	442	769	280	1,049
2008	411	128	539	1,109	497	1,606
2009	305	105	410	706	259	965
2010	271	106	377	617	193	810
2011	270	82	352	588	174	762
2012	293	97	390	685	206	891
2013	324	106	430	728	236	964
2014	810	268	1,078	2,048	1,338	3,386

<sup>\*</sup>Deer tags include Regular & White-tailed Deer tags.

<u>Current Sales Trend</u>: NR tag sales and sell out dates are indicating hunter participation will increase again this year for both elk and deer hunting.

Nonresident tag sales are 35% and 14% higher this year compared to the same period last year (first week in July) for elk and deer tags, respectively. This has generated an additional \$335,000 in revenue compared to the same period last year. If this trend is sustained, the quota may sell out.

Another indicator of nonresident participation is sell-out dates for "capped" elk zones. The Sawtooth A and B tags, Diamond Creek A tags, and Bear River B tags have sold out well ahead of schedule compared to last year. Resident tag sales begin July 10 for residents so sell-out data were not available for this gold sheet review.

Additional information will be available for the Commission presentation.

# Statutory Authority and/or Policy Issues:

Idaho Code 36-408 authorizes the Commission to establish a limit annually as to the number of each kind and class of licenses, tags, or permits to be sold or issued. The Commission is also authorized to discount license, tag, and permit fees to encourage the purchase of licenses in consecutive years and to encourage the purchase of multiple tags and permits (I.C. 36-415).

# **Public Involvement Process:**

The Commission has received public input directly from sportsmen and during Commission hearings held in November 2014, January 2015, and March 2015.

#### Justification:

Strategic pricing or discounts (when biologically sustainable) may encourage the purchase of multiple tags, and help increase revenue to further support license funded programs, and to provide necessary match for PR funded programs.

#### **Staff Recommendation:**

The Commission Order to discount the price of the 2014 nonresident/resident second elk and deer tags has expired. Staff will update the Commission on the most current NR tag sales trends for late July and provide potential discounting options to be considered for the 2015 big game season.

#### **Action Requested:**

Review current sales and evaluate sales forecasts with and without price discounts. Determine if a NR second tag price discount is desired for the 2015 big game season.